This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 04 KATHMANDU 002057

SIPDIS

LONDON FOR POL/RIEDEL

E.O. 12958: DECL: 10/20/2012

TAGS: PHUM PGOV MARR MASS NP PRELPHUMP
SUBJECT: SA DAS CAMP MEETING WITH NEPAL'S CHIEF OF ARMY STAFF AND NATIONAL SECURITY SECRETARIAT C-TN2-00948

Classified By: AMBASSADOR MICHAEL E. MALINOWSKI. REASONS: 1.5 (B and D)

 $\P 1$. (C) Summary. In two separate meetings on October 22 2002, Deputy Assistant Secretary for South Asia, Donald A. Camp, accompanied by LTC James E Oxley IV, Defense Attache7 and MAJ

Pete Fowler, Security Assistance Office, met with Royal Nepalese

Army Chief of Army Staff (COAS) General Pyar Jung Thapa and Major General (MG) Rookmangud Katwal of the National Security Council Secretariat. COAS Thapa clamed that the army is doing

well against the Maoists, whose numbers, he asserts, are shrinking. Lack of adequate financial support and development

planning from the civilian government, Thapa said, have kept the

Integrated Security and Development Program (ISDP) from taking

root in Maoist affected districts. The Indians have helped in

turning over low-level Maoist cadres but have so far not succeeded in capturing any of the leaders. MG Katwal told Camp that domestic political consensus is critical to defeating the

Maoists, who are adept at exploiting the vacuum left by bad governance and driving wedges between competing political interests. While Thapa appears correct that support for the Maoists is dwindling, the race is on for who or what will capture popular support. End Summary.

12. (C) In two separate meetings On October 22 2002, South Asia

Deputy Assistant Secretary Donald A Camp met with Royal Nepalese Army Chief of Army Staff (COAS) General Pyar Jung Thapa and MG Rookmangud Katwal of the National Security Council

(NSC) Secretariat.

Meeting with COAS Thapa

13. (C) Maoist Situation: General Thapa admitted that, while

Maoists may make some good ideological points, over time they have proven they cannot deliver. Asserting that the Maoists do not take care of people, Thapa explained that they have promised land, jobs and opportunities and brought nothing but destruction. Maoists steal food from people, force induction into their ranks, and destroy key infrastructure. According to

General Thapa, people are fed up. During the first five years

of the insurgency Maoists had some strength and, being the clever

and adaptive people they are, chose to go against the police who have a bad reputation of repression. The Maoists found some popular support because the people did not like the police. When the army entered the battle last November, the Maoists told the people that the army was going to be just like

the police. While the army did suffer some initial setbacks, to the Maoist's surprise the army now is doing well. Maoist numbers are shrinking. Because of army action and a corresponding loss of support by the people, Maoists are forced

to attack soft targets. This change is further alienating the

Maoists from the people. The Chief went on to say that the Maoists are nothing like the North Vietnamese Army (NVA); it was clear that the NVA avoided destroying key infrastructure that would alienate the people.

(C) RNA Problems and Strengths: General Thapa thanked the USG for assisting with M16A2 rifles and highlighted the importance of the weapons. The RNA's self-loading rifles (SLR), provided over 30 years ago by India for free, served the

army well, but today are worn out. Thapa said that soldiers have no confidence in the SLR, and said that the same weapons are problems for the Maoists. He illustrated that point by telling of a captured video of a Maoist leader in an attack

an RNA position. The video showed the leader trying to clear multiple stoppages of several of his captured RNA weapons before being shot by the defending RNA. The army is also in need of more defensive equipment like night vision goggles and attack helicopters. Thapa indicated that another problem is the

creation of rehabilitation programs. For example, the RNA has

tried to have NGOs assist with women the RNA has liberated, but $% \left(1\right) =\left(1\right) \left(1\right) +\left(1\right) \left(1\right) \left(1\right) +\left(1\right) \left(1\right) \left$

has not received much help.

On a more positive note, the COAS said that RNA intelligence is getting much better. The Maoists keep good diaries, which have been captured after battles. More importantly, the RNA is gaining momentum because the Nepalese people like to back winners. When the Maoists looked strong the people gravitated to them. Today, that has changed. On human rights, the COAS believed that a few soldiers have committed violations but that the RNA is taking the right steps to bring justice and stop future violations (NFI).

15. (C) Nepal's Political Situation: General Thapa assured DAS Camp that Nepal continues to support the USG war on terrorism as it did shortly after the 9/11 attacks. He also reiterated Nepalese appreciation of USG diplomatic support. The COAS caid

that the King remains committed to the multiparty system and would hold local elections first, before national elections. (Note: He did not provide a timeline. End Note.)

Should national elections take place first, the winning party would

try to influence elections at the local level, something the present government wants to avoid.

General Thapa also highlighted the need for some local representation at the grass roots level. With the local bodies dissolved, only administrators, drawn from outside the local area, are running the local governments.

16. (C) Nepal's Integrated Security and Development Program (ISDP): General Thapa termed ISDP in Gorkha a success (Note: Gorkha is the only area still implementing ISDP following the imposition of the emergency in November 2002. End Note.), but said there were several problems with resources and basic good

governance that had to be improved in future ISDP programs. The biggest problem has been not in the realm of security but in that of development programming. Development money in sufficient

amounts never arrived in Gorkha from the central government. Seventy irrigation projects were never completed, and additional

road construction, critical to improving living standards for the people, were not even started.

Those that were started, were never completed. General Thapa replied that, despite the lack of resources, the Army has used its resources and what little the government did provide to restart uncompleted road and other projects. Thapa said that the Army has been able to do projects for less than half the cost of the civilian administrators. He was optimistic that the new government

would remedy the situation but believed that, in the future, the Army would be more involved in development. DAS Camp asked

what the potential strain on the army would be when it did both development and security.

General Thapa said that the Army would continue to use its civilian-oriented engineer capability but, for the most part, would only organize the civilians who do the work. When asked about future ISDP locations, General Thapa said the districts of Bardia, Ramechhap, Dang and around the city of Triguli

17. (C) ISDP Strategy re-look: The COAS believed that the ISDP strategy might have to change from focusing on the worst areas

that require a huge amount of resources to propping up the weaker districts, in particular those districts around Kathmandu. For the worst affected areas in the west, the Chief

said, building roads to the Maoist heartland was a priority. General Thapa told of his suggestion that the government create

a duty free zone in the Dang valley because of the valley's importance in controlling access into Rolpa and Rukum districts. General Thapa also said that there was a need to augment security forces and was considering the use of village

defense forces. When asked about how he sees such forces working, the chief said that civilians would assist the

military with gaining better intelligence in order to use army

forces more effectively. On the issue of arming the defense forces, the chief only said perhaps they could be armed with shotguns. (Note: Post has not seen any use of armed militias supported by the government, and except for General Thapa's comments, little evidence the army is willing to arm civilians.

End Note.)

18. (C) Indian Support for Solving the Insurgency: In response to a question on India's role in assisting Nepal against the insurgents, General Thapa said they have been helpful. said

the Indians have turned over low-level leaders but also complained that when Nepal asked the Indians to arrest the

leaders living in India, the Indians said they needed specific

data on their whereabouts. The Chief did note a change for the

better in India's assistance after they realized that the Nepalese Maoists were involved with India's antigovernment organizations. He also noted that the King had effectively pressed for more Indian help during his last trip to India. Today the Indians have mobilized their special security police

to the India-Nepal border but, the chief said, the Indians are

continually upset about what India claims is Nepalese support for Pakistan's Inter-Service Intelligence Directorate.

Meeting with General Katwal from Nepal's NSC

19. (C) Maoist's situation: MG Katwal said that the Royal Nepalese Army (RNA) understands that there is a strong link between human rights and keeping the support of the people

believes human rights abusers must be punished. Katwal also stressed the need for increased international assistance in logistic support and mobility. (Note: MG Katwal has often made

the point that the RNA needs a full range of military assistance from tents to helicopters.) He expressed appreciation for USG military support and said that the Nepalese Government needed help in rehabilitating and housing former Maoists. MG Katwal said that aid is an important component of any solution to the Maoist problem, but emphasized

that aid must reach the people now in order to be beneficial. He also indicated that it would be beneficial if aid were provided in such a way as to be recognized with the Government

of Nepal in order to strengthen democracy.

Indian Support for Solving the Insurgency

110. (C) Though he praised US diplomatic efforts towards India to date, Katwal stressed the need for the USG to keep up the pressure, stating that the US must make the Indians understand that our intention is to help the GON bring the Maoist situation under control. He said India believes the US is trying to establish a strategic foothold in Nepal. Katwal cautioned that the Indians

still want to guard their hegemony in the region.

(C) Nepal's Political Situation: On Nepal's current political situation, Katwal said that the new government must formulate a national strategy on democracy and create domestic

consensus against the Maoists. The Maoists, who are quick to adapt and seize opportunities, are exploiting the vacuum created by bad governance. They drive wedges between parties and always go after whatever party is in power. The parties not in power, because of their own selfish ambition to be in charge, fail to support the government, which assists the Maoists. Today the Maoists are attempting to pull the political parties together against the King, who is the only unifying force in the country. Parties are threatening to join

with the Maoists, which in the worst case will lead to the monarchy fighting the Maoists. Katwal said the government will

have to negotiate with the Maoists but that should be from a position of strength. Katwal made the point that Nepal's democracy needs time to mature but worried that by the time democracy matures, the Maoists will be on top.

COMMENT

112. (C) While many points covered by both the COAS and MG Katwal have been heard in the past, what is different now is that we are hearing some of the same arguments by the $\ensuremath{\mathrm{King}}$ and

and his appointed government. General Thapa is correct that the Maoists have not delivered; what is also true is that the government too has not delivered. It appears that many people

people in the countryside are fed up with both the Maoists and the government. This being said, the race is on for who or what will capture their support. It is still too early to tell if the King can act as the catalyst to stem the rot of bad governance and bring real reforms at the grass roots in order to make Nepal's democracy prosper.

113. (C) DAS Camp has cleared this report.

MALINOWSKI MALINOWSKI